Proposed Senate Finance CS illustrated

Presentation to Senate Finance
November 14, 2007
Dan E. Dickinson, CPA

Structure of the levy

AS 43.55.xx	Current Law	SB 2001 (ACES)	CSHB 2001 (FIN) am	Proposed Senate Fin CS		
.011(e)	22.5%	Rate in (g)	25% + progressivity in (g)	Rate in (g)		
.011(g)	.25% Progressivity in Addition using price index in (h)	Rate=25%+.20 % progressivity using price index in (h)	.4% Progressivity in Addition using price index in (h)	Rate=22.5%+ sliding progressivity scale Repealed		
.011(h)	Price index derived using 40	Price index derived using 30	Price index derived using 30			

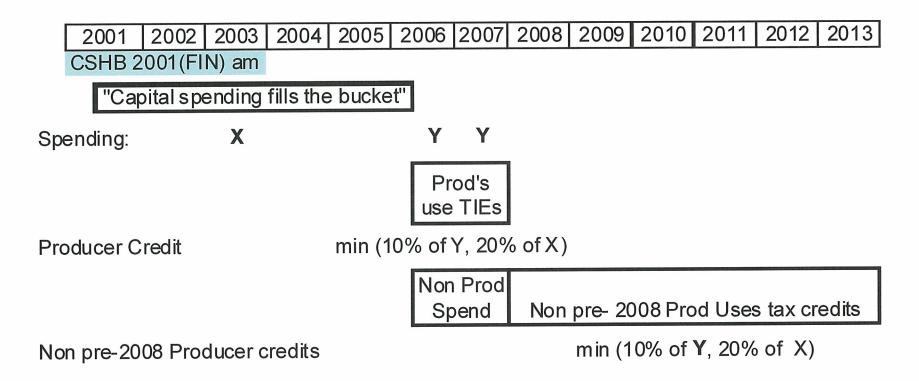
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Credits against Floor

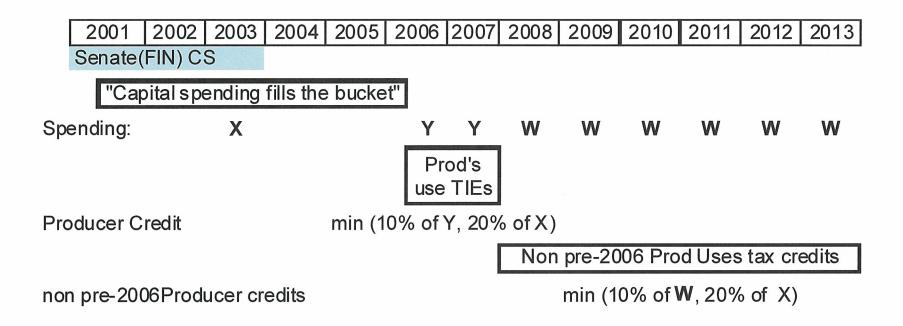
Credits	Current Law	SB 2001 (ACES)	CSHB 2001 (FIN) am	Proposed Senate Fin CS		
.023	no	no	no no			
.024	yes	no	yes	yes		
.025	yes	no	yes	no		

CS HB 2001(FIN) am TIE credits



Everyone's TIE credits are limited to 10% of spending in 21 Months between April 1 2006 and December 31, 2007

CS CB 2001(FIN) TIE credits



Entity that did not produce between April 1, 2006 and December 31, 2007 is no worse off than if the TIE credit were not repealed (except 2013 vs. six years)

Comparison

	2001 2002 CSHB 2001 (I		2005 20	06 2007	2008	2009	2010	2011	2012	2013
		pending fills the	e bucket"							
			e bucket							
	Spending:	X	Process	Υ						
				Prod's						
			L	use TIEs						
	Producer Credit		min (10%	of Y, 20%	of X)					
			I	lon Prod						
			L	Spend	Non 2	2006-20	07 Pro	od Use	s tax c	redits
	Non 2006-2007 I	Producer credit	ts			min (10)% of `	r , 20%	of X)	
	Senate(FIN)	CS								
	"Capital s	pending fills the	e bucket"							
	Spending:	X		Υ			V	I		
				Prod's						
			U	use TIEs						
	Producer Credit		min (10%	of Y, 20%	of X)					
				[Non 2	2006-20	07 Pro	d Use	s tax c	redits
	non 2006-2007 F	Producer credits	s			min (10	% of V	V , 20%	of X)	
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